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**FOR IMMEDIATE RELEASE**

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**British Columbia, Ontario Residents to Become Eligible for Non-resident  
Sales Tax Exemption**

**OLYMPIA** – June 8, 2010 – Beginning July 1, residents of British Columbia and Ontario become eligible for a non-resident sales tax exemption on purchases of goods in Washington for use outside the state.

State law allows a sales tax exemption to residents of jurisdictions that impose a sales tax of three percent or less. Washington sellers are not required to make tax-exempt sales to qualifying nonresidents, but most do. The exemption applies only to tangible personal property and does not apply to lodging, meals, or other retail services that are provided in the state.

In order to receive the exemption, qualifying residents must show proof of residency, such as a driver's license, to the Washington seller. The seller must retain the information to support the exemption in the event of a tax audit.

Residents of British Columbia and Ontario previously did not qualify for the exemption but both provinces are adopting a harmonized sales tax (HST) in tandem with the Canadian federal government beginning July 1. The HST technically is a value-added tax (VAT) and not a sales tax.

Residents of other Canadian provinces that impose the harmonized VAT have been eligible for the exemption for years.

Six states, including Alaska, Colorado, Oregon, Montana, Delaware and New Hampshire, eight Canadian provinces, and four U.S. possessions already qualify for this exemption.

The exemption statute, RCW 82.08.0273, was enacted in 1965.

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